## Before the Federal Communications Commission Washington, DC 20554

| In the Matter of   | )                     |
|--|-----------------------|
| Request for Review of the                                    | )                     |
| Decision of the  | )                     |
| Universal Service Administrator by                           |                       |
| Highland School District No. 305<br>Craigmont, Idaho         | ) File No. SLD-327965 |
| Schools and Libraries Universal Service<br>Support Mechanism | ) CC Docket No. 02-6  |
|  |                       |

## **ORDER**

Adopted: October 31, 2003 Released: November 3, 2003

By the Telecommunications Access Policy Division, Wireline Competition Bureau:

- 1. The Telecommunications Access Policy Division has under consideration a Request for Review filed by Highland School District No. 305 (Highland), Craigmont, Idaho. Highland requests review of a decision by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (Administrator). For the reasons set forth below, we deny the Request for Review.
- 2. In its decision, SLD rejected Highland's FCC Form 471 application for failing to meet minimum processing standards, because the application did not include at least one complete Block 4 Worksheet.<sup>3</sup> Specifically, Highland failed to indicate whether the school district for which discounts were sought was "urban or rural" in item Block 4 Item 10b.<sup>4</sup> In its Request for Review, Highland argues that SLD should be reversed because, although it was negligent in failing to supply its urban/rural classification, denial of its application "does not

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<sup>&</sup>lt;sup>1</sup> Letter from Ivy Breen, Highland School District No. 305, to Federal Communications Commission, filed August 1, 2002 (Request for Review).

<sup>&</sup>lt;sup>2</sup> *Id. See also* Letter from Schools and Libraries Division, Universal Service Administrative Company, to Ivy A. Breen, Highland School District, dated February 28, 2002 (Rejection Letter); Letter from Schools and Libraries Division, Universal Service Administrative Company, to Ivy Breen, Highland School District, dated June 24, 2002 (Administrator's Decision on Appeal).

 $<sup>^3</sup>$  Id

<sup>&</sup>lt;sup>4</sup> See FCC Form 471, Highland School District No. 305, filed January 14, 2002, at Block 4, Item 10b.

compare to SLD need for this information." Highland maintains that SLD could have easily obtained the missing information from a table posted on SLD's own website.<sup>6</sup>

3. We find that SLD's decision is consistent with program procedures and Commission precedent, and we affirm substantially for the reasons stated by SLD.<sup>7</sup> Contrary to Highland's assertion, the "urban or rural" classification is a critical part of the funding commitment process. A school's discount status is derived from rules that classify it as urban or rural.<sup>8</sup> The rules provide a matrix reflecting both a school's rural or urban status and the percentage of its students eligible for the school lunch program to establish a school's discount rate to be applied to eligible services.<sup>9</sup> Calculations for percentage discounts are based on the individual school or library level, and in order to determine an individual applicant's urban/rural classification, one must know the county or district, and in some instances, the census tract in which the applicant is located.<sup>10</sup> SLD would incur additional administrative cost to gather county or census tract information; instead, SLD's website provides urban/rural information for use by the applicant to determine its discount percentage. In addition, the Wireline Competition Bureau has previously held that the burden of ensuring that complete and accurate information is provided rests with applicants.<sup>11</sup> Therefore, we deny Highland Valley's Request for Review.

<sup>&</sup>lt;sup>5</sup> Request for Review.

<sup>&</sup>lt;sup>6</sup> *Id*.

<sup>&</sup>lt;sup>7</sup> See Instructions for Completing the Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 (November 2001) (Funding Year 2002 FCC Form 471 Instructions), at 6-7 ("At least one completed Block 4 Worksheet relevant to your application type (see Block 1, Item 5) must be submitted. If a relevant Block 4 Worksheet is ... missing information, the form will be rejected"); Request for Review by Wm. H. & Lucy F. Rand Memorial Library, Federal State-Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc., File No. SLD-267302, CC Dockets No. 96-45 and 97-21, Order, 17 FCC Rcd 23540 (Wireline Comp. Bur. 2002); Request for Review by Charles Gibson, Federal State-Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc., File No. SLD-267921, CC Dockets No. 96-45 and 97-21, Order, 17 FCC Rcd 8611 (Wireline Comp. Bur. 2002). We also note that the information requested in Block 4, Item 10 was required in previous funding years. See Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 (October 2000) (Funding Year 2001 FCC Form 471 Instructions), at Block 4, Item 10; Request for Review by Naperville Community Unit School District 203, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc., File No. SLD-203343, CC Docket Nos. 96-45 and 97-21, Order, 16 FCC Rcd 5032 (2001).

<sup>&</sup>lt;sup>8</sup> 47 C.F.R. § 54.505(b)(3)(i), (ii).

<sup>&</sup>lt;sup>9</sup> 47 C.F.R. § 54.505(c).

<sup>&</sup>lt;sup>10</sup> See SLD's website, <a href="http://www.sl.universalservice.org/reference/msa/RuralUrbanClassYr4.asp">http://www.sl.universalservice.org/reference/msa/RuralUrbanClassYr4.asp</a>.

<sup>&</sup>lt;sup>11</sup> Request for Review of the Decision of the Universal Service Administrator by Fair Lawn Board of Education, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc., CC Docket No. 96-45 and 97-21, Order, 16 FCC Rcd 12901, 12904 (Com. Car. Bur. 2001). The Wireline Competition Bureau was previously known as the Common Carrier Bureau.

4. ACCORDINGLY, IT IS ORDERED, pursuant to authority delegated under sections 0.91, 0.291, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 54.722(a), that the Request for Review filed by Highland School District No. 305, Craigmont, Idaho, on August 1, 2002 IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Mark G. Seifert Deputy Chief, Telecommunications Access Policy Division Wireline Competition Bureau